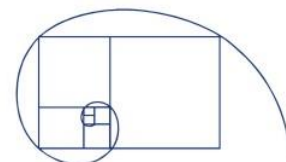


## Alternative Performance Measures

In addition to the key indicators defined and applied in accordance with International Financial Reporting Standards (IFRS), the financial statements of *Panevezio statybos trestas* AB provide the key financial indicators derived from or based on the prepared financial statements. These indicators are called Alternative Performance Measures (APM). These Alternative Performance Measures, in the Company's opinion, present significant additional information for investors and other users of financial statements and other regulated information. The Alternative Performance Measures should be treated as additional information prepared in accordance with IFRS.

Taking into account the guidelines of the European Securities and Markets Authority (ESMA) on Alternative Performance Measures, *Panevezio statybos trestas* AB provides an overview of the APMs used, their definition and formation.

Measure	Formula and components	Meaning and interpretation
Operating profit	Operating profit = Gross profit – Operating costs	An indicator of the company's performance that shows the company's ability to make a profit, regardless of the financing method of (e. g. from equity or bank debts).
Operating profit margin, %	Operating profit from typical / Sales	Shows efficiency of the company and is used for comparison of companies in the same business sector.
EBITDA	<i>EBITDA (over relevant period) = operating profit + depreciation (amortization)</i>	The essence of the EBITDA is to determine the least depending on circumstances (least fluctuating), the most objective profit (loss) of the company.
EBITDA profitability, %	EBITDA / Sales	Shows efficiency of the company and is used for comparison of companies in the same business sector.
Earnings per share (EPS)	Net profit / Number of shares	EPS is the measure of the company's profitability. Shows amount of the profit earned by the company over the period per one ordinary share.
Return on equity (ROE), %	Net profit / Average total equity (equity share)	Shows the percentage return the company earns from each monetary unit invested by the shareholders. A higher value of the measure is considered better.
Return on assets (ROA), %	Net profit / Average total assets	Shows the percentage return the company earns from the assets. A higher value of the measure is equated with the more efficient use of the assets.
Return on investment (ROI) %	Net profit / (assets-short term debt)	Shows how much the company has earned using the share capital.
Current ratio	Ending current assets / Ending current liabilities	Shows the ability of a company to meet its current liabilities by using its current assets. When the value ranges between 1 and 2, liquidity of the company is safe.
Acid test (Quick) ratio	(Current assets – Inventory) / Current liabilities	Demonstrates the ability of a company to meet its short-term liabilities promptly under conditions of pressure. When the value greater than 1 is good and liquidity of the company can be considered safe.
Equity to asset ratio	Equity / Assets	Shows the share of equity in the capital structure. The lower the value, the higher is dependency of the company in its operation on borrowed funds.



Debt ratio	Liabilities / Assets	Shows what part of the assets is financed from borrowed funds. The lower the value, the more the debt is covered by assets.
Debt to equity ratio	Liabilities / Equity	Shows how much short-term and long-term debt per euro is per euro of equity.
Book value per share	Equity / Number of shares	Shows how much equity is per share.
Price to book ratio (P/BV)	Ending share price / Book value	Shows how much an investor pays for one euro of assets that he would theoretically receive on liquidation
Price to earnings ratio (P/E)	Ending market value per share / Earnings per share (EPS)	Reflects the price paid by investors for one euro of the company's earned profit.